

Indiana House of Representatives

News and Information

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STATEHOUSE REPORT FROM REP. DAVE CROOKS

INDIANAPOLIS – We have only just wrapped up the 2005 session of the Indiana General Assembly, but in these first few hours it is obvious that two issues have dominated this year's activities at the Statehouse.

In recent weeks, attention has focused on the effort to bring daylight-saving time to all of Indiana and passage of a new biennial state budget. In the end, both measures became law, but their impact will linger on for years to come.

Let's start with daylight-saving time, which has generated a firestorm of attention unlike anything I've seen in my years at the Statehouse. In the last few weeks, I've talked about this subject with reporters from across this country.

After several tries, Senate Bill 127 was approved and the governor has indicated he will sign the bill into law. Bringing daylight-saving time to Indiana has been one of Gov. Daniels' top priorities since coming to office.

What will the passage of this bill mean to the people of the 63rd House District?

Next spring, our area will be on the same time as Indianapolis, New York City and Boston. If you work in Illinois or the five counties in Southwest Indiana that surround Evansville, you always will be an hour ahead of them.

Advocates of daylight-saving time claim this measure will improve our economic development efforts. I am having a hard time seeing how it will help the people in the 63rd District to be on a different time from the major areas of commerce in Southwest Indiana and Illinois.

The question that needs to be asked, of course, is whether Indiana needs to be in Eastern Time Zone at all. Just by looking at a map, it would seem to make more sense for us to be on the same time as locations as Chicago and St. Louis, which are a lot closer to Indiana than New York or Boston.

As you know, the final version of Senate Bill 127 contains language I authored that directs the U.S. Department of Transportation to conduct hearings to determine if Indiana should move to the Central Time Zone. I have talked to the governor about this provision, and he has assured me that he will move to request that the hearings take place as quickly as possible. Ideally, I would like to see those hearings conducted and a petition for a time zone change enacted before next spring.

I am disappointed that the Legislature chose to enact a measure that I feel will cause a massive disruption in the lives of so many Hoosiers, but I also know that there is still time to enact the changes that will cause the greatest benefits for this area of the state.

In most years, the state budget would be the dominant topic of a long legislative session. It is a measure of the controversy that daylight-saving time creates that it seems like passage of a budget seems like an afterthought.

That shouldn't be the case. I am worried that this budget will create many lasting problems for Indiana's schoolchildren and property taxpayers.

After years of bipartisan efforts aimed at education reform and reducing property taxes, the Republican majorities in the Indiana House and Senate and Gov. Daniels have approved a budget that will cut funding for many schools and raise property taxes for most Hoosiers by nearly \$850 million.

Here are the basics of the budget written by Republicans that is contained in House Enrolled Act 1001:

- If there is additional funding for public schools, it will come primarily from local property taxes, not the state;
- There are no minimum guarantees in state funding for schools. As a result, more than 140 school corporations will receive less money.

- There will be reduced state support for local property taxpayers through the Property Tax Replacement Credit (PTRC) program, another move that will increase local property taxes; and

- Funding for Medicaid, the federal program that provides health care for the elderly, disabled and children, will increase by only 5 percent, even though costs are expected to rise 10 percent.

Supporters of this budget praise it as, in their words, “honestly balanced.”

This budget is not balanced because the state does not make up delayed payments to school corporations across Indiana. By delaying these payments, we are forcing them to borrow money from banks and pay interest in order to meet operating costs. If the state would live up to its obligations, then it would not ignore these payments.

This budget is not balanced because it fails to address growth in health care costs. If Medicaid costs do rise by 10 percent, the state will be responsible for paying all of those bills, even if the budget does not contain adequate funding to cover those costs. By failing to include that funding in the budget, supporters cannot legitimately claim it is balanced.

This budget is not honest, either. It calls for increases in school funding, but only if local property taxes are raised. School officials will have to raise property taxes in order to pay for textbook relief and transportation costs. To ensure our schools get the meager levels of support contained in HEA 1001, property taxes will have to be raised by nearly \$470 million.

If legislators who supported this budget want to be honest, they should admit that it is being balanced on the backs of our children and our taxpayers.

In next week's Report, the last I will file for the 2005 legislative session, I will look at other bills that have been approved, as well as a few that did not become law.

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This Report can be accessed on the Internet at www.IN.gov/H63